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Connecticut Community Action

Testimony

Wednesday December 9, 2009

Good Afternoon Senator Harp, Representative Geragosian and ladies and gentleman of the Appropriations Committee. My name is Joe Mann and I am the Vice Chair of the Connecticut Association for Community Action (CAFCA) and President/CEO of Norwalk Economic Opportunity Now, Inc. (NEON). CAFCA is the state association for Connecticut's 12 Community Action Agencies which serve all 169 towns and cities in the state and NEON is the Community Action Agency in Fairfield County serving New Canaan, Norwalk, Weston, Westport and Wilton.

I am here this afternoon to express my strong opposition to the portion of the Governor's budget which directly impacts our agencies' ability to provide direct services and case management to our low-income children, our elderly and disabled and working poor families – specifically the recommended 25% cut in the Human Services Infrastructure Community Action Agency line of funding from the budget.

Right now, due to the worst economy the state has witnessed since the Great Depression, our agencies are seeing a dire need for assistance to Connecticut families including help with fuel, food and other forms of aid - the highest levels we have ever seen. We have seen a 30% increase in people coming to our doors for help – people who have never sought relief from our CAAs.

In energy assistance requests alone, the increased statewide need is staggering. Since the Recession began in 2007/2008, the number of people who are eligible for

assistance statewide has multiplied by 125%. Several of our towns have seen increases exceed 200%! While in our agencies, people are also requesting job search help because they've lost their jobs, eviction prevention help, and food assistance. These people are in desperate need of all the support services our agencies offer! Our workers are on the front-line and, thankfully, we have the information and the expertise to provide comprehensive support to meet many of these needs.

The CAAs are unique in our ability to serve as “one stop centers” for many services, such as: heating; food assistance services; credit repair and money management; free tax preparation and asset development; utility matching payment plan; child care and Head Start; elderly nutrition, meals on wheels and homemaker services for the elderly which helps keep our senior citizens at home and out of much more expensive nursing homes. As our Results –Based Reporting indicates, you cannot get a better return on investment than with dollars spent in Community Action Agencies through the programs we offer.

In this time of scarce resources it is very important for you to know what is being accomplished with state funds. I believe the community action network is the only social services delivery system in the state that can provide you with such detailed reporting: The following is an example of our RBA reporting:

How much did we do?

- **Nearly 300,000 people statewide benefited from CAA services last year.**
- **Over 55,000 people received referrals to other services they need.**

How well did we do it?

- **CAA's raised an additional \$30.58 for every dollar of HSI funding.**
- **CAA's recruited volunteers to help reduce poverty; over 700,000 hours donated = 336 FTE's. Valued at the Independent Sector wage for CT, these volunteers' time was worth \$15.8 million.**
- **Over \$10 million returned to our state's economy with volunteer tax preparation assistance.**

Is anyone better off?

- **Over 300, 000 people have moved closer to self-sufficiency. Examples:**
 - Over 6,500 people went to work.
 - Over 14,000 people learned to save, invest and decrease debt.
 - 7,400 pre-school aged children are better prepared to start school.
 - Kids did better in school – socially, emotionally, athletically and academically.
 - Over 16,200 people statewide live in more safe, stable housing.
 - Over 130,000 households reduced/eliminated emergency needs.
 - Over 32,500 senior citizens maintain an active, independent life style.

This clearly shows that many individuals and families who came to us for services are better off.

The CAAs address heat, hunger, health and homelessness, and we help put people back to work. We do this by leveraging all available resources to make the best use of taxpayer dollars.

The \$3.9 million in Human Services Infrastructure Community Action Agency line in the CT state budget is critical in allowing the CAA network to continue to provide the case management services that can respond to the needs of our communities. Also, these funds help provide operational support for programs that have inadequate funds for the administration of many programs, such as energy assistance and child care. Restoration of the HSI line in the budget at level funding is a must for the ongoing operation of the CAA network so that we can continue to meet these needs during this very difficult time. Additionally, the Department of Social Services uses this as a state match for the Supplemental Nutrition Assistance Program (SNAP) outreach program.

The Governor's Mitigation Plan is asking us to take an additional 25% reduction at a time when we are asked to do more the state's low income children and families.

We are also very worried about the long term impact of these cuts on our state's budget. It is estimated that an additional 35,000 CT children will fall into poverty during this recession. As adults, these children will earn an average of \$19,000 less annually than those who avoided poverty. Their health will worsen. By age 37, they will be 20% less likely than their peers to report being in very good health. The economic cost to CT from the foregone earnings and poorer health status of these children will run to \$800 million per year. Costs of increased childhood poverty are likely to exceed \$40 billion over the next several decades.^{1*}

The faces of poverty in our communities are a daily reminder of what all the statistics really mean. On behalf of the people we serve, we are making this one request to the Governor and State Legislature. Deeper cuts to assistance programs will only perpetuate our state's budget crisis for generations to come and bring deeper despair to those currently in need.

In closing we want to stress that we are proud of our partnerships with local, state and federal government, the private sector, and other nonprofits. We are anxious to work with everyone to develop creative solutions to poverty. But please understand that the HSI funding is crucial in maintaining the basic safety net services for low-income and working poor families during the worst economic time in recent memory.

I would like to thank the legislature, especially members of this committee, for your understanding of the importance of supporting the CAAs – CT's federally designated anti-poverty agencies – and the work we do for our most vulnerable residents. Your ongoing support has been crucial to our successes in serving CT's poor residents.

¹ Micheal Linden, First Focus

We extend our services and offer continued partnership with the

- Governor's office**
- Legislature**
- Utilities**
- Workforce Boards**
- Schools and Community Colleges**
- Social Services providers**
- Churches**
- Businesses**

We would be happy to answer any of your questions.

ENERGY APPLICATIONS SKYROCKET

Connecticut's CAAs are witnessing a staggering increase in energy assistance statewide. According to our records and to data released by the Department of Social Services on November 16, 2009, the number of people who were eligible for energy assistance statewide multiplied by **125.4%** since the recession began in 2007/2008.

The state's CAAs are reporting the following eligibility increases for Connecticut Energy Assistance Program (CEAP) benefits since 2007/2008:

ABCD (Bridgeport)	133.1%
BCO (Bristol)	229.4%
CACD (Danbury)	185.2%
CRT (Hartford/Middletown)	82.8%
TEAM (Derby)	134.1%
HRAofNB (New Britain)	142.2%
CAAofNH (New Haven)	173.0%
NEON (Norwalk)	182.4%
TVCCA (Norwich)	170.7%
CTE (Stamford)	201.1%
NO (Waterbury/Meriden)	111.3%
ACCESS (Willimantic)	119.2%
Statewide	125.4%